

REG-94-004 TAXABLE DRUGS; PRESUMPTIONS AND EXEMPTIONS

004.01 Unless evidence to the contrary is presented to the Department, drugs confiscated by law enforcement agents shall be presumed to be unlawfully possessed and subject to taxation.

004.02 Any person or entity legally in possession of marijuana or controlled substances that would otherwise be taxable under the provisions of these regulations and the Marijuana and Controlled Substances Tax Act shall be exempt from taxation.

(Section 77-4303(3). February 2, 1992.)